

Lear Corporation GmbH E-Systems Remscheid Schlosserstr. 4 D-42899 Remscheid GERMANY

Remscheid, 17.02.2021

Force Majeure Event

Dear Customer,

Let us inform you about current situation in our Vyskov plant concerning impact of Covid19.

As always, our first and foremost concern remains the health and safety of our employees. Our employees are our most important resource, and we will continue to adhere to the policies and procedures outlined in Lear's Safe Work Playbook, as well as all applicable governmental directives.

Unfortunately, the current government restrictions together with the other Covid related impacts on the supply chain, have a significant effect on Lear's operations. While we are being proactive in evaluating all mitigation opportunities, this situation is currently outside of our control:

First of all, the absenteeism level which usually is way below 4% is at this stage at 10%, mainly due to sick-leaves, Covid positive cases and a high number of employees in quarantine.

While from a very early stage onwards we have been trying to replace the absent employees with temporary workers, all temporary workers agencies face the same problems and there is, consequently, a limited available workforce. Also, we are missing mainly setters for stamping who cannot be replaced by temporary workers on short notice, as their training takes at least 6 months.

Bringing employees or temporary workers from outside Czech Republic to the plant isn't an alternative either since the current restrictions to travel make this impracticable.

We have implemented the following measures to mitigate the situation:

- Use of FFP2 masks
- Covid testing in the plant
- Use of overtime to the extent possible
- Shift workers to areas where they are needed most

Given that all our suppliers are facing the same issues, we also expect that our suppliers will shortly have difficulties to continue timely supply.

Under these circumstances, which constitute a force majeure event, there could be further issues to the supply of the parts. Our production will keep running, but due to mentioned difficulties we are struggling with allocation of our human resources. This will affect part of our production portfolio which we will specify in further communication.

To ensure we navigate these challenging circumstances as efficiently and effectively as possible, and in the spirit of full transparency, members of our team will continue to communicate with the appropriate members of your teams for each affected program. As we all know, this remains a fluid situation. We will continue to review all information as and when available.

Best regards

Lear Corporation GmbH

i.V. Oriol Soldevila

Vice President Connection Systems Europe

i.V. Hans Joachim Hörter Sales Director Europe